

**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.

If you are in any doubt about this circular or as to the action to be taken, you should consult your licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in G-Resources Group Limited (the "Company"), you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee or to the bank, licensed securities dealer or other agent through whom the sale or the transfer was effected for transmission to the purchaser or the transferee.

---

 **G-RESOURCES**  
國際資源  
**G-Resources Group Limited**  
國際資源集團有限公司\*  
*(Incorporated in Bermuda with limited liability)*  
**(Stock Code: 1051)**

**(1) PROPOSED GRANT OF GENERAL MANDATES TO ISSUE AND  
REPURCHASE SHARES;**

**(2) PROPOSED RE-ELECTION OF DIRECTORS;**

**(3) PROPOSED ADOPTION OF NEW SHARE OPTION SCHEME**

**AND**

**(4) NOTICE OF ANNUAL GENERAL MEETING**

---

A notice convening the annual general meeting of the Company to be held at Dynasty I, 7/F, The Dynasty Club, South West Tower, Convention Plaza, 1 Harbour Road, Wanchai, Hong Kong on Wednesday, 18 June 2014 at 10:00 a.m. is set out on pages 29 to 34 of this circular. A proxy form for use at the annual general meeting is enclosed with this circular. Whether or not you are able to attend the annual general meeting, you are requested to complete the accompanying form of proxy in accordance with instructions printed thereon and return it to the Company's branch share registrar in Hong Kong, Union Registrars Limited at 18/F., Fook Lee Commercial Centre, Town Place, 33 Lockhart Road, Wanchai, Hong Kong as soon as possible but in any event not less than 48 hours before the time for holding the annual general meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the annual general meeting or any adjournment thereof should you so wish.

# CONTENTS

	<i>Page</i>
<b>Definitions</b> .....	1
<b>Letter from the Board</b> .....	4
<b>Appendix I — Explanatory Statement for the Repurchase Mandate</b> . . . .	11
<b>Appendix II — Biographical Details of Directors Proposed for Re-election</b> .....	15
<b>Appendix III — Summary of the Principal Terms of the New Share Option Scheme</b> .....	18
<b>Notice of Annual General Meeting</b> .....	29

*Accompanying: Form of proxy for AGM*

## DEFINITIONS

*In this circular, unless the context otherwise requires, the following expressions shall have the following meanings:*

“AGM”	the annual general meeting of the Company to be held at Dynasty I, 7/F, The Dynasty Club, South West Tower, Convention Plaza, 1 Harbour Road, Wanchai, Hong Kong on Wednesday, 18 June 2014 at 10:00 a.m. and any adjournment thereof
“associates”	has the same meaning ascribed thereto in the Listing Rules
“Board”	the board of Directors
“Business Day”	any day on which the Stock Exchange is open for the business of dealing in securities
“Bye-laws”	the bye-laws of the Company, as amended from time to time
“Company”	G-Resources Group Limited, a company incorporated in Bermuda with limited liability, whose shares are listed on the Main Board of the Stock Exchange
“Director(s)”	the director(s) of the Company
“Eligible Employees”	any employee (whether full time or part time employee, including any executive directors but not any non-executive director) of the Company, its Subsidiaries or any Invested Entity
“Eligible Participant(s)”	any person(s) belonging to any of the following classes of participants:  (a) any Eligible Employee;  (b) any non-executive director (including independent non-executive directors) of the Company, any of its Subsidiaries or any Invested Entity;  (c) any supplier of goods or services to any member of the Group or any Invested Entity;  (d) any customer of the Group or any Invested Entity;

## DEFINITIONS

	<p>(e) any person or entity that provides research, development or technological support or other services to the Group or any Invested Entity; and</p> <p>(f) any shareholder or any member of the Group or any Invested Entity or any holder of any securities issued by any member of the Group or any Invested Entity</p>
“Extended Mandate”	a general mandate to add the aggregate number of Shares repurchased by the Company under the Repurchase Mandate to the Share Issue Mandate, subject to a maximum of 10% of the issued share capital of the Company as at the date of passing of the relevant resolution
“General Scheme Limit”	the total number of Shares which may be issued upon exercise of all options to be granted under the New Share Option Scheme and any other share option scheme of the Company and which must not in aggregate exceed 10% of the Shares in issue as at the date of the passing of the relevant ordinary resolution for the approval of the New Share Option Scheme
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Invested Entity”	any entity in which the Group holds not less than 10% equity interest
“Latest Practicable Date”	25 April 2014, being the latest practicable date prior to the printing of this circular for ascertaining certain information referred to in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange

## DEFINITIONS

“New Share Option Scheme”	the new share option scheme proposed to be adopted by the Company at the AGM, a summary of the principal terms of which is set out in Appendix III to this circular
“Option(s)”	option(s) granted under the Previous Share Option Scheme or under the New Share Option Scheme, as the context may otherwise require
“Previous Share Option Scheme”	the share option scheme of the Company which was adopted by the Company on 30 July 2004 but will expire on 29 July 2014
“Repurchase Mandate”	the authority to the Directors to exercise all the powers of the Company to repurchase Shares up to a maximum of 10% of the aggregate nominal amount of the Company’s issued share capital as at the date of passing of the relevant resolution
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.01 each in the capital of the Company
“Shareholder(s)”	holder(s) of Share(s)
“Share Issue Mandate”	general authority to the Directors to allot and issue Shares with an aggregate nominal amount not exceeding 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of the relevant resolution
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subsidiary(ies)”	has the meaning ascribed thereto in the Listing Rules
“Takeovers Code”	The Codes on Takeovers and Mergers and Share Buy-backs
“%”	per cent



**G-Resources Group Limited**

**國際資源集團有限公司\***

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 1051)**

*Executive Directors:*

Mr. Chiu Tao (*Chairman*)  
Mr. Owen L Hegarty (*Vice-Chairman*)  
Mr. Peter Geoffrey Albert (*Chief Executive Officer*)  
Mr. Ma Xiao (*Deputy Chief Executive Officer*)  
Mr. Wah Wang Kei, Jackie  
Mr. Hui Richard Rui

*Independent non-executive Directors:*

Mr. Or Ching Fai (*Vice-Chairman*)  
Ms. Ma Yin Fan  
Mr. Leung Hoi Ying

*Registered Office:*

Canon's Court  
22 Victoria Street  
Hamilton HM 12  
Bermuda

*Principal Place of Business  
in Hong Kong:*

Rooms 4501-02 & 4510, 45/F.  
China Resources Building  
No. 26 Harbour Road  
Wanchai  
Hong Kong

29 April 2014

*To the Shareholders*

Dear Sir or Madam,

**(1) PROPOSED GRANT OF GENERAL MANDATES TO ISSUE AND  
REPURCHASE SHARES;**

**(2) PROPOSED RE-ELECTION OF DIRECTORS;**

**(3) PROPOSED ADOPTION OF NEW SHARE OPTION SCHEME**

**AND**

**(4) NOTICE OF ANNUAL GENERAL MEETING**

**INTRODUCTION**

The purpose of this circular is to provide you with information regarding the resolutions to be proposed at the AGM to be held on Wednesday, 18 June 2014, including, inter alia, the ordinary resolutions relating to (i) the proposed grant to the Directors of the Share Issue Mandate, the Repurchase Mandate and the Extended Mandate; (ii) the proposed re-election of Directors; and (iii) the proposed adoption of the New Share Option Scheme.

\* For identification purpose only

## LETTER FROM THE BOARD

### **(1) Proposed General Mandates to Issue and Repurchase Shares**

At the AGM, ordinary resolutions will be proposed to grant general mandates to the Directors (i) to allot, issue and otherwise deal with Shares not exceeding in aggregate 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of the relevant resolution; (ii) to repurchase Shares which does not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of the relevant resolution; and (iii) to add the aggregate number of Shares repurchased by the Company under the Repurchase Mandate to the Share Issue Mandate, subject to a maximum of 10% of the issued share capital of the Company as at the date of passing of the relevant resolution.

The mandates to issue and repurchase Shares granted at the annual general meeting of the Company held on 3 December 2013 will lapse at the conclusion of the AGM. The Share Issue Mandate, the Repurchase Mandate and the Extended Mandate as set out in the notice of the AGM will be proposed at the AGM. The Directors wish to state that they have no present intention to repurchase any existing Shares or to issue any new Shares pursuant to the relevant mandates.

As at the Latest Practicable Date, the issued share capital of the Company was HK\$264,900,761.30 divided into 26,490,076,130 Shares. Subject to the passing of the resolution granting the Share Issue Mandate and on the basis that no further Shares are issued or repurchased from the Latest Practicable Date to the date of the AGM, the Company will be allowed to issue a maximum of 5,298,015,226 Shares during the period from the passing of the relevant resolution at the AGM up to (i) the conclusion of the next annual general meeting of the Company; or (ii) the expiration of the period within which the next annual general meeting of the Company is required to be held by laws or the Bye-laws; or (iii) the date upon which such authority is revoked or varied by an ordinary resolution of the Shareholders in general meeting, whichever is the earlier.

The explanatory statement required by the Listing Rules to be sent to Shareholders in connection with the proposed Repurchase Mandate is set out in Appendix I to this circular. The explanatory statement contains all the information which is reasonably necessary to enable the Shareholders to make an informed voting decision on the relevant resolution.

### **(2) Proposed Re-election of Directors**

The Board currently consists of nine Directors, namely Mr. Chiu Tao, Mr. Owen L Hegarty, Mr. Peter Geoffrey Albert, Mr. Ma Xiao, Mr. Wah Wang Kei, Jackie and Mr. Hui Richard Rui as executive Directors, and Mr. Or Ching Fai, Ms. Ma Yin Fan and Mr. Leung Hoi Ying as independent non-executive Directors.

Pursuant to clause 99 of the Bye-laws, at each annual general meeting of the Company, one third of the Directors for the time being, or, if their number is not three or a multiple of three, then the number nearest but not less than one-third, shall retire from office by rotation. The Directors to retire in every year shall be those who have been

## LETTER FROM THE BOARD

longest in office since their last election but as between persons who became Directors on the same day shall (unless they otherwise agree between themselves) be determined by lot. The retiring Directors shall be eligible for re-election. Accordingly, Mr. Owen L Hegarty, Mr. Peter Geoffrey Albert and Mr. Hui Richard Rui will retire by rotation at the AGM. Each of Mr. Owen L Hegarty, Mr. Peter Geoffrey Albert and Mr. Hui Richard Rui, being eligible, will offer themselves for re-election.

Pursuant to Rule 13.74 of the Listing Rules, a listed issuer shall disclose the details required under Rule 13.51(2) of the Listing Rules of any director(s) proposed to be re-elected or proposed new director in the notice or accompanying circular to its shareholders of the relevant general meeting, if such re-election or appointment is subject to shareholders' approval at that relevant general meeting. Details of the Directors proposed for re-election at the AGM are set out in Appendix II to this circular.

### **(3) Proposed Adoption of the New Share Option Scheme**

Pursuant to an ordinary resolution passed at a special general meeting of the Company held on 30 July 2004, the Company had adopted the Previous Share Option Scheme which will expire on 29 July 2014 pursuant to the terms thereof.

After the expiration of the Previous Share Option Scheme on 29 July 2014, the provisions of the Previous Share Option Scheme remain in force in all other respects in respect of the outstanding share options granted thereunder.

As at the Latest Practicable Date, there were 1,063,315,836 outstanding Options granted pursuant to the Previous Share Option Scheme, entitling holders thereof to subscribe for in aggregate 1,063,315,836 new Shares, representing about 4.01% of the existing issued share capital of the Company. Save as disclosed above, the Group does not have any other subsisting share option scheme.

The Board considers that it is in the interests of the Company to adopt the New Share Option Scheme which allows multiple classes of persons and/or entities to be the Eligible Participants and contains terms which are in compliance with the requirements of Chapter 17 of the Listing Rules now in force. The Board confirms that, following the adoption of the New Share Option Scheme, the Company will not grant any further Options under the Previous Share Option Scheme prior to its expiration.

At the AGM, an ordinary resolution will be proposed to the Shareholders to approve the adoption of the New Share Option Scheme pursuant to which the Eligible Participants may be granted Options to subscribe for Shares upon and subject to the terms and conditions of the rules of the New Share Option Scheme.

Assuming that the New Share Option Scheme has been adopted at the AGM, the maximum number of Shares which may be allotted and issued upon exercise of all outstanding options granted under the New Share Option Scheme and any other share option scheme(s) of the Company may represent up to 10% of the issued share capital of the Company on the date of approval by the Shareholders of the New Share Option Scheme.



## LETTER FROM THE BOARD

As at the Latest Practicable Date, the issued share capital of the Company comprised 26,490,076,130 Shares. Assuming that prior to the date of the AGM, no Shares are issued or repurchased by the Company, the total number of Shares issuable pursuant to the New Share Option Scheme on the date of its adoption will be 2,649,007,613 Shares, representing 10% of the issued share capital of the Company as at the date of passing of the ordinary resolution approving and adopting the New Share Option Scheme. Options to subscribe for up to 2,649,007,613 Shares will be available to be granted by the Directors under the New Share Option Scheme. None of the Directors is a trustee of the New Share Option Scheme or has a direct or indirect interest in such trustee (if any) of the New Share Option Scheme.

A summary of the principal terms of the New Share Option Scheme which is proposed to be approved and adopted by the Company at the AGM is set out in Appendix III to this circular.

Copy of the New Share Option Scheme will be available for inspection at Rooms 4501-02 & 4510, 45/F., China Resources Building, No. 26 Harbour Road, Wanchai, Hong Kong from 9:00 a.m. to 5:00 p.m. on any weekday (except Saturdays and public holidays) for the period from the date of this circular until the date of the AGM. Such copy will also be available for inspection at the AGM.

### *Reasons for adopting the New Share Option Scheme*

The purpose of the New Share Option Scheme is to provide incentives or rewards to the Eligible Participants for their contribution to the Group and/or to enable the Group to recruit and retain high-calibre employees and attract human resources that are valuable to the Group and any Invested Entity.

The definition of Eligible Participants, which includes, among others, full-time or part-time employees, directors, suppliers, customers, providers of research, development or technical support, shareholders and holders of securities of the Group and its Invested Entities, provides a broad category of participants under the New Share Option Scheme.

The Board considers that it is in the interests of the Group as a whole for such broad category of Eligible Participants to be given incentives to participate in the growth of, and make contribution to, the Group in the form of Options. Furthermore, the Board considers that the Eligible Participants will be encouraged to participate in the long-term development of the Group and will share common interests and objectives with the Group upon the grant of the Options to them.

Moreover, the Board considers that the performance of the Invested Entities is important to the financial performance and the future development of the Group due to their commercial relationship with the Group. The grant of Options to the Eligible Participants related to the Invested Entities can align their financial interest with that of the Group. As a result, the Directors are of the view that such Eligible Participants can be motivated to make contribution to the development of the Invested Entities and the Group, and the success of the Invested Entities will eventually be reflected on the price of the Shares.

## LETTER FROM THE BOARD

In addition, the adoption of the New Share Option Scheme is in line with modern commercial practice that such broad category of Eligible Participants be given incentives to work towards enhancing the value and attaining the long-term objectives of the Company and for the benefit of the Group as a whole.

As such, the Directors consider that the adoption of the New Share Option Scheme is in the interest of the Company and the Shareholders as a whole.

### *Conditions of the adoption of the New Share Option Scheme*

The New Share Option Scheme is conditional upon:

- (i) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, any new Shares which may fall to be issued and allotted upon the exercise of the Options that may be granted under the New Share Option Scheme; and
- (ii) the passing of an ordinary resolution by the Shareholders in the AGM for the approval for the adoption of the New Share Option Scheme and to authorise the Directors to grant Options to subscribe for Shares thereunder and to allot, issue and deal in the Shares pursuant to the exercise of any Options granted under the New Share Option Scheme;

Application will be made to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Shares which may fall to be issued and allotted pursuant to the exercise of any Options that may be granted under the New Share Option Scheme.

### *Discretion of the Board under the New Share Option Scheme*

Although the New Share Option Scheme does not specify any minimum period for which the Option must be held before it can be exercised, the Board has discretion to set a minimum period for which an Option has to be held or other restrictions before the exercise of the subscription rights attaching thereto. This discretion allows the Board to provide incentive to an Eligible Participant to remain as an Eligible Participant and thereby enable the Group or the relevant Invested Entity to continue to benefit from the services and contributions of such Eligible Participant. This discretion, coupled with the power of the Board to impose any performance target or other restrictions as it considers appropriate before any Option can be exercised, enable the Group to provide incentives to the Eligible Participants to use their best endeavours in assisting the growth and development of the Group.

Although the New Share Option Scheme does not provide for the granting of Options with rights to subscribe for Shares at a discount to the traded prices of the Shares on the Stock Exchange, the Directors are of the view that the flexibility given to the Board in granting Options to Eligible Participants and to impose minimum period for which the Options have to be held and performance targets and other conditions that have to be achieved before the Options can be exercised, will place the Group in a better position to attract human resources that are valuable to the growth and development of the Group as whole.

## LETTER FROM THE BOARD

The rules of the New Share Option Scheme provide that the Board may determine, at its sole discretion, whether Eligible Participants should be granted Options under the New Share Option Scheme on a case-by-case basis and may make appropriate and equitable adjustments to the term(s) of Options granted as it considers necessary. In granting the Options, the Directors will assess and consider the contribution or the potential contribution of the Eligible Participants to the benefits, the long-term development and/or growth of any Invested Entities and the Group as a whole.

In considering whether Options should be granted to the Eligible Participants related to the Invested Entities and the number of Options to be granted under the New Share Option Scheme, the Directors will take into account their contribution to the Invested Entities, the Group's shareholding in the Invested Entities and whether the grant of Options will promote the future development and growth of the Group.

As such, the Directors consider that the aforesaid criteria and rules will serve to preserve the value of the Company and that the terms of the New Share Option Scheme are fair and reasonable to the Company and its Shareholders as a whole.

### *Value of the Options that can be granted under the New Share Option Scheme*

The Directors consider that it is not appropriate to state the value of all the Options that can be granted under the New Share Option Scheme as if they had been granted at the Latest Practicable Date prior to the approval of the New Share Option Scheme given that the variables which are critical for the calculation of the value of such Options cannot be determined.

The variables which are critical for the determination of the value of such Options include, inter alia, (i) the subscription price for the Shares upon the exercise of the subscription rights attaching to the Options, (ii) whether or not Options will be granted under the New Share Option Scheme and the timing of the granting of such Options, (iii) the period during which the subscription rights may be exercised, (iv) the discretion of the Board to impose any performance target that has to be achieved before the subscription right attaching to the Options can be exercised and any other conditions that the Board imposed on the Options, and (v) whether or not such Options if granted will be exercised by the Eligible Participants.

The subscription price payable for the Shares depends on the price of the Shares as quoted on the Stock Exchange, which in turn depends on when the Board is to grant Options under the New Share Option Scheme. With a scheme life of ten years, the Board is of the view that it is too premature to state whether or not Options will be granted under the New Share Option Scheme, and if so, the number of Options that may be granted. It is also difficult to ascertain with accuracy the subscription price of the Shares given the volatility the Share price may be subject to during the 10-year life span of the New Share Option Scheme. In the circumstances, the Directors are of the view that the value of the Options depends on a number of variables which are either difficult to ascertain or can only be ascertained subject to a number of theoretical basis and speculative assumptions. Accordingly, the Directors believed that any calculation of the value of the Options will not be meaningful and may be misleading to the Shareholders in the circumstances.

#### **(4) Annual General Meeting**

The AGM will be held at Dynasty I, 7/F, The Dynasty Club, South West Tower, Convention Plaza, 1 Harbour Road, Wanchai, Hong Kong on Wednesday, 18 June 2014 at 10:00 a.m., whereat resolutions regarding the above mentioned matters will be proposed. Notice of the AGM is set out on pages 29 to 34 of this circular.

## LETTER FROM THE BOARD

A form of proxy for use at the AGM is enclosed. Whether or not you intend to attend the AGM, please complete the form of proxy in accordance with the instructions printed thereon and deposit it to the Company's branch share registrar in Hong Kong, Union Registrars Limited at 18/F., Fook Lee Commercial Centre, Town Place, 33 Lockhart Road, Wanchai, Hong Kong as soon as possible but in any event not less than 48 hours before the time fixed for holding of the AGM or adjourned meeting thereof. The lodging of the proxy form will not preclude you from attending and voting in person at the AGM or any adjourned meeting if you so wish.

### VOTING BY POLL

Pursuant to the Listing Rules, any vote of shareholders at a general meeting must be taken by poll except for purely procedural or administrative matters. Accordingly, all the proposed resolutions will be put to vote by way of poll at the AGM. An announcement on the poll results will be made by the Company after the AGM in the manner prescribed under Rule 13.39(5) of the Listing Rules.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, none of the Shareholders is required to abstain from voting on any resolutions to be approved at the AGM.

### RECOMMENDATION

The Directors consider that the proposed ordinary resolutions approving (1) the grant of the Share Issue Mandate, the Repurchase Mandate and the Extended Mandate; (2) the re-election of the Directors; and (3) the adoption of the New Share Option Scheme are each in the best interests of the Company and its Shareholders as a whole and therefore recommend Shareholders to vote in favour of the resolutions to be proposed at the AGM.

### RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

### FURTHER INFORMATION

Your attention is drawn to the additional information set out in the appendices to this circular.

Yours faithfully,  
For and on behalf of the Board  
**G-Resources Group Limited**  
**Peter Geoffrey Albert**  
*Chief Executive Officer*

*This Appendix serves as an explanatory statement, as required by the Listing Rules, to provide requisite information to you for your consideration of the Repurchase Mandate.*

## **1. LISTING RULES RELATING TO THE REPURCHASE OF SECURITIES**

The Listing Rules permit companies whose primary listings are on the Stock Exchange to repurchase their fully paid-up Shares on the Stock Exchange subject to that all on-market Shares repurchased by a company with its primary listing on the Stock Exchange must be approved in advance by an ordinary resolution, either by way of specific approval in relation to specific transactions or by a general mandate to the directors of the company to make such repurchases.

The Company is empowered by its memorandum of association and Bye-laws to repurchase its own Shares.

## **2. SHARE CAPITAL**

As at the Latest Practicable Date, the number of Shares in issue was 26,490,076,130.

Subject to the passing of the resolution granting the proposed Repurchase Mandate and on the basis that no further Shares are issued or repurchased before the AGM, the Company will be allowed to repurchase a maximum of 2,649,007,613 Shares, representing 10% of the issued share capital of the Company as at the date of passing of the resolution granting the Repurchase Mandate, during the period from the passing of the relevant resolution at the AGM up to (i) the conclusion of the next annual general meeting of the Company; or (ii) the expiration of the period within which the next annual general meeting of the Company is required to be held by laws or the Bye-laws; or (iii) the date upon which such authority is revoked or varied by an ordinary resolution of the Shareholders in general meeting, whichever is earlier.

## **3. REASONS FOR REPURCHASE**

The Directors believe that the proposed Repurchase Mandate is in the best interests of the Company and its Shareholders as a whole. Exercise of the Repurchase Mandate may, depending on the market conditions and funding arrangements at the time, result in an increase in net asset value per share and/or earnings per share of the Company. The Directors are seeking the grant of a general mandate to repurchase Shares to give the Company the flexibility to do so if and when appropriate. The number(s) and class(es) of Shares to be repurchased on any occasion and the price and other terms upon which the same are repurchased will be decided by the Directors at the relevant time having regard to the circumstances then pertaining.

#### 4. FUNDING OF REPURCHASES

Repurchases may be made out of funds which are legally available for such purpose in accordance with the memorandum of association of the Company, the Bye-laws and the laws of Bermuda. It is envisaged that the funds required for any repurchases would be funded entirely from the Company's available cash flow or working capital facilities which will be funded legally available for the purpose.

Exercise of the Repurchase Mandate in full at any time during the proposed repurchase period could have a material adverse impact on the working capital or gearing position of the Company compared with that as at 31 December 2013, being the date of the Company's latest published audited accounts. However, the Directors do not intend to make any repurchases in circumstances that would have a material adverse impact on the working capital or gearing position of the Company at any time during the proposed repurchase period.

#### 5. DIRECTORS' UNDERTAKING AND CONNECTED PERSONS

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the powers of the Company to make repurchases pursuant to the Repurchase Mandate in accordance with the Listing Rules and the applicable laws of Bermuda.

No connected persons (as defined in the Listing Rules) of the Company or any of their associates has notified the Company that he has a present intention to sell any Shares to the Company nor has any such connected person undertaken to the Company not to sell any of the Shares held by him to the Company in the event that the Repurchase Mandate is granted by Shareholders.

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their associates, have any present intention to sell any Shares to the Company, if the Repurchase Mandate is approved by the Shareholders.

#### 6. TAKEOVERS CODE

If, on the exercise of the power to repurchase Shares pursuant to the Repurchase Mandate, a shareholder's proportionate interest in the voting rights of the Company will increase, such increase will be treated as an acquisition for the purpose of Rule 32 of the Takeovers Code. As a result, a shareholder or a group of shareholders acting in concert (with the meaning under the Takeovers Code), depending on the level of such increase, could obtain or consolidate control of the Company and may become obliged to make a mandatory general offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, to the best of the knowledge of the Directors, the following Shareholders are interested in 5% or more of the issued Shares as recorded in the register of interests in shares and short positions of the Company under Section 336(1) of Part XV of the SFO:

Name of Shareholder	Nature of interest	Number of Shares (Note 1)	Approximate percentage of shareholding as at the Latest Practicable Date (Note 2)	Approximate percentage of shareholding if the Company exercises in full the power to repurchase (Note 2)
CST Mining Group Limited ("CST") (Note 3)	Interest of controlled corporation	4,418,307,741(L)	16.68%	18.53%
Skytop Technology Limited ("Skytop") (Note 3)	Beneficial owner	4,418,307,741(L)	16.68%	18.53%
BlackRock, Inc. ("BlackRock") (Note 4)	Interest of controlled corporation	2,104,084,022(L)	7.94%	8.83%
Market Vectors ETF – Market Vectors Gold Miners ETF	Beneficial owner	1,476,711,000(L)	5.57%	6.19%
The Bank of New York Mellon Corporation (Note 5)	Interest of controlled corporation	1,449,769,000(L) 1,448,473,000(P)	5.47% 5.47%	6.08% 6.08%

Notes:

- "L" denotes long position and "P" denotes lending pool.
- The percentages were calculated based on the Company's issued share capital of 26,490,076,130 Shares as at the Latest Practicable Date and on the assumption that there is no other change in the issued share capital of the Company.
- CST is deemed to be interested in 4,418,307,741 Shares held by Skytop, which is indirectly wholly-owned by CST.
- BlackRock is deemed to be interested in an aggregate of 2,104,084,022 Shares held by various of its indirectly wholly-owned subsidiaries.
- The Bank of New York Mellon Corporation is deemed to be interested in 1,449,769,000 Shares held by The Bank of New York Mellon, its wholly-owned subsidiary.

In the event that the Directors shall exercise in full the power to repurchase Shares in accordance with the Repurchase Mandate and if there is no other change in the issued share capital of the Company, the interest of the above substantial Shareholders would be increased to the approximate percentage as shown in the last column above. The Directors are not aware of any consequence that would give rise to an obligation on the part of the above substantial Shareholders to make a mandatory offer under Rule 26 of the Takeovers Code or reduce the amount of Shares held by the public to less than 25% of the total share capital of the Company.

**7. REPURCHASE OF SHARES MADE BY THE COMPANY**

The Company had not repurchased any Shares whether on the Stock Exchange or otherwise in the six months immediately preceding the Latest Practicable Date.

**8. SHARE PRICES**

The highest and lowest prices at which Shares have been traded on the Stock Exchange in each of the previous twelve months preceding the Latest Practicable Date are as follows:

	Shares Prices	
	Highest (HK\$)	Lowest (HK\$)
April 2013	0.3390	0.2780
May 2013	0.3140	0.2640
June 2013	0.2740	0.2130
July 2013	0.2530	0.2240
August 2013	0.2740	0.2240
September 2013	0.2800	0.2180
October 2013	0.2500	0.2100
November 2013	0.2380	0.2140
December 2013	0.2220	0.1780
January 2014	0.2130	0.1800
February 2014	0.2450	0.1910
March 2014	0.2500	0.2060
April 2014 (up to and including the Latest Practicable Date)	0.2280	0.2050

*Source:* Quoted prices from the Stock Exchange's website ([www.hkex.com.hk](http://www.hkex.com.hk)).

*Note:* The highest and lowest prices per Share (up to and including 2 September 2013) were adjusted with regard to the rights issue by the Company which was announced on 28 August 2013 and completed on 7 October 2013.



*The following is the particulars of the Directors proposed to be re-elected at the AGM:*

**1. Owen L Hegarty (“Mr. Hegarty”) — Vice-chairman and executive Director**

Mr. Hegarty, aged 66, has some 40 years’ experience in the global mining industry. Mr. Hegarty had 25 years with the Rio Tinto group where he was managing director of Rio Tinto Asia and managing director of the Group’s Australian copper and gold business. He was founder and chief executive officer of Oxiana Limited Group which grew from a small exploration company to a multi-billion dollar Australia, Asia and Pacific-focused base and precious metals producer, developer and explorer. Oxiana Limited became OZ Minerals Limited.

For his achievements and leadership in the mining industry, Mr. Hegarty was awarded the AusIMM Institute Medal in 2006 and the G.J. Stokes Memorial Award in 2008. Mr. Hegarty was also awarded the “Mining Personality of the Year”, at the 2013 Mines and Money Hong Kong Asia Mining Awards Gala dinner.

Mr. Hegarty was the executive director and vice-chairman of CST Mining Group Limited (Stock Code: 985) (whose shares are listed on the main board of the Stock Exchange). He is currently a non-executive director of Fortescue Metals Group Limited, Tigers Realm Coal Limited and Highfield Resources Limited (whose shares are all listed on the Australian Stock Exchange (“ASX”)); chairman of Tigers Realm Minerals Pty Ltd and EMR Capital Pty Ltd and a director of the Australasian Institute of Mining and Metallurgy (“AusIMM”); Mr. Hegarty is also a member of a number of Government and industry advisory groups.

Save as disclosed herein, Mr. Hegarty did not hold any other directorship or take any major appointments in any Hong Kong or overseas listed public companies in the last three years and does not hold any other position with the Company or other members of the Group.

Mr. Hegarty entered into a service agreement (“Hegarty Service Agreement”) with the Company for a term of 3 years commencing from 10 May 2009. By a second supplemental deed dated 21 February 2012, a third supplemental deed dated 20 February 2013 and a fourth supplemental deed dated 16 January 2014 made between the Company and Mr. Hegarty, the term of service of Mr. Hegarty is extended to 31 December 2014. Mr. Hegarty’s directorship is also subject to the retirement by rotation and re-election at annual general meeting of the Company in accordance with the Bye-laws. Under Hegarty Service Agreement, Mr. Hegarty shall receive during the continuance of his directorship (i) the monthly salary of US\$50,000 by reference to Mr. Hegarty’s experience in the mining industry, his duties and responsibilities with the Company and the market benchmark; and (ii) in the event that the annual performance target allocated to Mr. Hegarty was achieved for a relevant financial year, an annual management bonus in a sum up to 80% of the annual salary as may be determined by the Board at its absolute discretion in accordance with the Hegarty Service Agreement.

Mr. Hegarty is the beneficial owner of 1,402,800 Shares, has interest in 245,250,600 Shares through a company controlled by him, and has derivative interest in 363,967,932 Shares within the meaning of Part XV of the SFO as at the Latest Practicable Date.

Save as disclosed herein, Mr. Hegarty does not have any relationships with any Directors, senior management, substantial or controlling shareholder of the Company nor any interests in the Shares within the meaning of Part XV of the SFO as at the Latest Practicable Date.

Save as disclosed above, Mr. Hegarty is not aware of any other matters that need to be brought to the attention of the holders of securities of the Company nor is there any information to be disclosed by the Company pursuant to any of the requirements under the rule 13.51(2) of the Listing Rules.

**2. Peter Geoffrey Albert (“Mr. Albert”) — Chief executive officer and executive Director**

Mr. Albert, aged 55, is a metallurgist and holds an Executive MBA degree. He has 30 years of experience in project management, general management and operations management in mining and minerals processing in Australia, Africa and Asia. He is a member of the Institute of Materials, Minerals and Mining (London), a member of the AusIMM and a Chartered Engineer.

For his achievements and leadership in the mining industry, and voted by his peers, Mr. Albert was awarded the “Mining CEO of the Year”, at the 2012 Asia Mining Congress. Mr. Albert was also awarded the “Mining Executive of the Year”, at the 2013 Asia Mining Congress.

He was the Executive General Manager — Asia of OZ Minerals Limited covering off-shore operations; the Sepon copper and gold operations and projects; the development of the Martabe Project; business development in Asia, and Asian government relations. He joined Oxiana Limited in 2000 from Fluor Daniel, where he held the position of General Manager — Projects. Mr. Albert has also worked with Shell-Billiton (Australia), Aker Kvaerner (Australia) and JCI (South Africa).

Save as disclosed herein, Mr. Albert did not hold any other directorship or take any major appointments in any Hong Kong or overseas listed public companies in the last three years and does not hold any other position with the Company or other members of the Group.

Mr. Albert has entered into a service agreement (“Albert Service Agreement”) with the Company without a fixed term and is subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Bye-laws. Under Albert Service Agreement, Mr. Albert is entitled to receive (i) a monthly salary of US\$83,333.33 by reference to Mr. Albert’s experience, duties and responsibilities with the Company and the market benchmark; and (ii) in the event that Mr. Albert can achieve the annual performance target allocated to him by the Company for a relevant financial year, an annual management bonus in the sum up to 50% of the fixed annual salary as may be determined by the Board at its discretion.

Mr. Albert is the beneficial owner of 38,501,200 Shares and has derivative interest in 340,809,082 Shares within the meaning of Part XV of the SFO as at the Latest Practicable Date.

Save as disclosed herein, Mr. Albert does not have any relationships with any directors, senior management, substantial or controlling shareholder of the Company nor any interests in the Shares within the meaning of Part XV of the SFO as at the Latest Practicable Date.

Save as disclosed above, Mr. Albert is not aware of any other matters that need to be brought to the attention of the holders of securities of the Company nor is there any information to be disclosed by the Company pursuant to any of the requirements under the rule 13.51(2) of the Listing Rules.

### 3. Hui Richard Rui (“Mr. Hui”) — Executive Director

Mr. Hui, aged 46, graduated from University of Technology, Sydney in Australia with a Bachelor’s degree in Mechanical Engineering. He has more than 10 years’ experience in management positions with companies in Australia, Hong Kong and PRC.

Mr. Hui is currently an executive director of CST Mining Group Limited (Stock Code: 985) and an executive director of China Strategic Holdings Limited (Stock Code: 235), both of which shares are listed on the main board of the Stock Exchange. He is also a member of AusIMM.

Save as disclosed herein, Mr. Hui did not hold any other directorship or take any major appointments in any Hong Kong or overseas listed public companies in the last three years and does not hold any other position with the Company or other members of the Group.

Mr. Hui has entered into a service agreement (“Hui Service Agreement”) with the Company without a fixed term and is subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Bye-laws. Under Hui Service Agreement, Mr. Hui entitles to a monthly salary of HK\$151,515. Mr. Hui’s remuneration was determined with regard to his duties and responsibilities and with reference to prevailing market condition. Mr. Hui may also be entitled to a bonus for each financial year of the Company which is at the discretion of the Board and determined by reference to Mr. Hui’s performance and the Group’s performance for the financial year concerned.

Mr. Hui has derivative interest in 56,484,999 Shares within the meaning of Part XV of the SFO as at the Latest Practicable Date.

Save as disclosed herein, Mr. Hui does not have any relationships with any directors, senior management, substantial or controlling shareholder of the Company nor any interests in the Shares within the meaning of Part XV of the SFO as at the Latest Practicable Date.

Save as disclosed above, Mr. Hui is not aware of any other matters that need to be brought to the attention of the holders of securities of the Company nor is there any information to be disclosed by the Company pursuant to any of the requirements under the rule 13.51(2) of the Listing Rules.

*Set out below is a summary of the principal terms of the New Share Option Scheme to provide sufficient information to the Shareholders for their consideration.*

**(A) PURPOSE OF THE SCHEME**

The purpose of the New Share Option Scheme is to provide incentives or rewards to the Eligible Participants thereunder for their contribution to the Group and/or to enable the Group to recruit and retain high-calibre employees and attract human resources that are valuable to the Group and any Invested Entity.

**(B) CONDITIONS**

The New Share Option Scheme is conditional upon:

- (i) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, any new Shares which may fall to be issued and allotted upon the exercise of the Options that may be granted under the New Share Option Scheme; and
- (ii) the passing of an ordinary resolution by the Shareholders in the AGM for the approval for the adoption of the New Share Option Scheme and to authorise the Directors to grant Options to subscribe for Shares thereunder and to allot, issue and deal in the Shares pursuant to the exercise of any Options granted under the New Share Option Scheme.

**(C) ELIGIBLE PARTICIPANTS OF THE NEW SHARE OPTION SCHEME**

The Directors may at any time and from time to time within 10 years after the New Share Option Scheme is approved and adopted by the Shareholders, at their absolute discretion and subject to such conditions as the Board may think fit, invite any person belonging to any of the following classes of the Eligible Participants, to take up Options to subscribe for Shares:

- (aa) any Eligible Employee;
- (bb) any non-executive director (including independent non-executive directors) of the Company, any of its Subsidiaries or any Invested Entity;
- (cc) any supplier of goods or services to any member of the Group or any Invested Entity;
- (dd) any customer of the Group or any Invested Entity;
- (ee) any person or entity that provides research, development or technological support or other services to the Group or any Invested Entity; and

- (ff) any shareholder or any member of the Group or any Invested Entity or any holder of any securities issued by any member of the Group or any Invested Entity;

and, for the purposes of the New Share Option Scheme, Options may be granted to any company wholly owned by one or more persons belonging to any of the above classes of the Eligible Participants or any discretionary object of an Eligible Participant which is a discretionary trust.

The basis of eligibility of any of the Eligible Participants to the grant of any Options shall be determined by the Board from time to time on the basis of their contribution to the development and growth of the Group and any Invested Entity.

**(D) MAXIMUM NUMBER OF SHARES**

- (aa) The maximum number of Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the New Share Option Scheme and any other share option schemes of the Company must not in aggregate exceed 30% of the issued share capital of the Company from time to time. No options may be granted under the New Share Option Scheme or any other share option schemes of the Company if this will result in this limit being exceeded.
- (bb) The total number of Shares which may be issued upon exercise of all options to be granted under the New Share Option Scheme and any other share option schemes of the Company must not in aggregate exceed the General Scheme Limit (i.e. 2,649,007,613 Shares (assuming as further issue or repurchase of Shares from the Latest Practicable Date)).
- (cc) Subject to (aa) above and without prejudice to (dd) below, the Company may seek approval of the Shareholders in general meeting to refresh the General Scheme Limit provided that the total number of Shares which may be issued upon exercise of all options to be granted under the New Share Option Scheme and any other share option schemes of the Company must not exceed 10% of the Shares in issue as at the date of approval of the limit and for the purpose of calculating the limit, options previously granted (including those outstanding, cancelled, lapsed in accordance with the terms of the New Share Option Scheme and any other share option schemes of the Company or exercised) will not be counted.
- (dd) Subject to (aa) above and without prejudice to (cc) above, the Company may seek separate Shareholders' approval in general meeting to grant options beyond the General Scheme Limit or, if applicable, the limit referred to in (cc) above to Eligible Participants specifically identified by the Company before such approval is sought. The Company must send a circular to the Shareholders containing a generic description of the specified grantees who

may be granted such options, the number and terms of the options to be granted, the purpose of granting such options to the grantees with an explanation as to how the terms of options serve such purpose and the information as required under the Listing Rules.

**(E) MAXIMUM ENTITLEMENT OF EACH ELIGIBLE PARTICIPANT**

The total number of Shares issued and which may fall to be issued upon exercise of the options granted under the New Share Option Scheme and any other share option schemes of the Company (including both exercised and outstanding options) to each Eligible Participant in any 12-month period shall not exceed 1% of the issued share capital of the Company in issue (the "Individual Limit"). Any further grant of options to an Eligible Participant in excess of the Individual Limit in any 12-month period up to and including the date of such further grant, shall be subject to which the Shareholders' approval in general meeting of the Company with such Eligible Participant and his associates abstaining from voting. The Company must send a circular which discloses the identity of the Eligible Participant, the number and terms of the options to be granted and options previously granted to such Eligible Participant and the information as required under the Listing Rules to the Shareholders. The number and terms (including the subscription price) of the Options to be granted to such Eligible Participant must be fixed before the Shareholders' approval and the date of the meeting of the Board for proposing such further grant of Option should be taken as the date of grant for the purpose of calculating the subscription price.

**(F) GRANT OF OPTIONS TO CONNECTED PERSONS OF THE COMPANY**

- (aa) Any grant of Options under the New Share Option Scheme to a Director, chief executive or substantial shareholder of the Company or any of their respective associates must be approved by independent non-executive Directors (excluding any independent non-executive Director who is the grantee of the Options).
- (bb) Where any grant of Options to a substantial shareholder of the Company or an independent non-executive Director, or any of their respective associates, would result in the number of Shares issued and to be issued upon exercise of all Options already granted and to be granted (including Options exercised, cancelled and outstanding) to such person(s) in the 12-month period up to and including the date of such grant:
  - (i) representing in aggregate over 0.1% of the Shares in issue; and
  - (ii) having an aggregate value, based on the closing price of the Shares at the date of each grant, in excess of HK\$5,000,000,

such further grant of Options must be approved by the Shareholders in general meeting. The Company must send a circular to the Shareholders containing the information required under the Listing Rules. All connected

persons of the Company (within the meaning as defined in the Listing Rules) must abstain from voting in favour at such general meeting. Any connected person may however vote against the proposed further grant of Options at such general meeting provided that their intention to do so has been stated in the circular to the Shareholders in accordance with Rule 13.04 of the Listing Rules. Any vote taken at the meeting to approve the grant of such Options must be taken on a poll.

Shareholders' approval as required under this sub-paragraph (f)(bb) is also required for any change in the terms of Options granted to an Eligible Participant who is a substantial shareholder of the Company or an independent non-executive Director, or any of their respective associates.

- (cc) The circular referred to in (bb) above shall contain:
- (i) details of the number and terms (including the subscription price, the option period, the minimum period (if any) for which the Option must be held before it can be exercised, performance targets (if any), the amount (if any) payable on application or acceptance of the Option and the period within which payments or calls must or may be made or loans for such purposes must be repaid, basis of determination of the subscription Price and the rights attached to the Shares or the Option) of the Options to be granted to each such substantial shareholder of the Company or independent non-executive Director, or any of their respective associates, which must be fixed before the Shareholders' meeting and the date of board meeting for proposing such further grant is to be taken as the date of grant for the purpose of calculating the subscription price;
  - (ii) a recommendation from the independent non-executive Directors (excluding any independent non-executive Director who is a grantee) to the independent Shareholders as to voting;
  - (iii) the information required under Rules 17.02(2)(c) and (d) of the Listing Rules and the disclaimer required under Rule 17.02(4) of the Listing Rules; and
  - (iv) the information required under Rule 2.17 of the Listing Rules.

**(G) TIME OF ACCEPTANCE AND EXERCISE OF AN OPTION**

An offer of the grant of an Option may be accepted by an Eligible Participant within 28 days from the date upon which it is made. A consideration of HK\$1.00 is payable on acceptance of the offer of grant of an Option.

An Option may be exercised in accordance with the terms of the New Share Option Scheme at any time during a period to be determined and notified by the Directors to each grantee, which period may commence from the date of acceptance of the offer for the grant of Options but shall end in any event not later than 10 years from the date of grant of the Option subject to the provisions for early termination thereof.

No minimum period for which the Option must be held before it can be exercised is specified in the New Share Option Scheme.

**(H) PERFORMANCE TARGETS**

Unless the Board otherwise determined and stated in the offer of the grant of Options to an Eligible Participant, an Eligible Participant is not required to achieve any performance targets before any Options can be exercised.

**(I) SUBSCRIPTION PRICE FOR SHARES**

The subscription price for Shares under the New Share Option Scheme shall be a price determined by the Board, but shall not be lower than the highest of (i) the closing price of Shares as stated in the Stock Exchange's daily quotations sheet on the date on which the Board approve the making of the offer for the grant of Options (the "Date of Grant"), which must be a Business Day; (ii) the average closing price of Shares as stated in the Stock Exchange's daily quotations sheet for the five Business Days immediately preceding the Date of Grant; and (iii) the nominal value of a Share. Without prejudice to the generality of the foregoing, the Board may grant Options in respect of which the subscription price is fixed at different prices for different periods during the option period provided that the subscription price for Shares for each of the different periods shall not be less than the subscription price determined in the aforesaid manner.

**(J) RANKING OF SHARES**

Shares to be issued and allotted upon the exercise of an Option will be subject to all the provisions of the Bye-laws and the Companies Act 1981 of Bermuda (as amended) and will rank pari passu in all respects with the fully paid Shares in issue as from the day when the name of the grantee is registered on the register of members of the Company and accordingly will entitle the holders to participate in all dividends or other distributions paid or made on or after the date when the name of the grantee is registered on the register of members of the Company other than any dividend or other distribution previously declared or recommended or resolved to be paid or made with respect to a record date which shall be before the date when the name of the grantee is registered on the register of



members of the Company, provided always that when the date of exercise of the Option falls on a day upon which the register of members of the Company is closed then the exercise of the Option shall become effective on the first Business Day in Hong Kong on which the register of members of the Company is re-opened. A Share issued and allotted upon the exercise of an Option shall not carry any voting rights until completion of the registration of the grantee as the holder thereof.

**(K) RESTRICTIONS ON THE TIME OF GRANT OF OPTIONS**

No offer for grant of Options shall be made by the Company after inside information has come to its knowledge until it has announced the information. In particular, during the period commencing one (1) month immediately before the earlier of (i) the date of the meeting (as such date is first notified to the Stock Exchange in accordance with the Listing Rules for the approval of the Company's results for any year, half-year, quarterly or any other interim period (whether or not required under the Listing Rules)); and (ii) the deadline for the Company to announce its results for any year or half-year under the Listing Rules, or quarterly or any other interim period, (whatever or not required under the Listing Rules), with the Stock Exchange and ending on the date of the announcement of the results, no Option may be granted.

The Board may not grant any Option to an Eligible Participant who is a Director during the periods or times in which Directors are prohibited from dealing in shares pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers prescribed by the Listing Rules or any corresponding code or securities dealing restrictions adopted by the Company.

**(L) DURATION OF THE NEW SHARE OPTION SCHEME**

The New Share Option Scheme will remain in force for a period of 10 years commencing from the date on which the New Share Option Scheme becomes unconditional. Options complying with the provisions of the Listing Rules which are granted during the duration of the New Share Option Scheme and remain unexercised immediately prior to the end of the 10-year period shall continue to be exercisable in accordance with their terms of grant within the option period for which such Options are granted, notwithstanding the expiry of the New Share Option Scheme.

**(M) RIGHTS ON CEASING EMPLOYMENT**

If the grantee of an Option is an Eligible Employee and ceases to be an Eligible Employee for any reason other than his or her death or the termination of his or her employment on one or more of the grounds referred to in sub-paragraph (o) below before exercising his/her Option in full, the Option (to the extent which has become exercisable and not already exercised) will lapse on the date of cessation, which date shall be the last actual working day, whether salary is paid in lieu of notice or not and will not be exercisable unless the Board otherwise determine a longer period following the date of such cessation.

**(N) RIGHTS ON DEATH**

If the grantee of an Option ceases to be an Eligible Participant by reason of his or her death (provided that none of the grounds referred to in sub-paragraph (o) below arises prior to his or her death) before exercising the Option in full, his or her legal personal representative(s) may exercise the Option (to the extent which has become exercisable not already exercised) in whole or in part within a period of 12 months, from the date of death or such longer period as the Board may determine.

**(O) RIGHTS ON DISMISSAL**

If the grantee of an Option is an Eligible Employee and ceases to be an Eligible Employee by reason that he or her has been guilty of persistent or serious misconduct or has committed an act of bankruptcy or has become insolvent or has made any arrangement or composition with his or her creditors generally, or has been convicted of any criminal offence involving his or her integrity or honesty or (if so determined by the Board) on any ground on which an employer would be entitled to terminate his or her employment at common law or pursuant to any applicable laws or under the Eligible Employee's service contract with the Company or the relevant Subsidiary or the relevant Invested Entity, his or her Option will lapse automatically on the date the Eligible Employee ceases to be an Eligible Employee.

**(P) RIGHTS ON BREACH OF CONTRACT**

If the Directors at their absolute discretion determine that the grantee of any Option (other than an Eligible Employee) or his or her associate has committed any breach of any contract entered into between the grantee or his or her associate on the one part and the Group or any Invested Entity on the other part or that the grantee has committed any act of bankruptcy or has become insolvent or is subject to any winding-up, liquidation or analogous proceedings or has made any arrangement or composition with his or her creditors generally, the Directors shall determine that the outstanding Options granted to the grantee shall lapse.

In such event, his or her Option will lapse automatically and will not in any event be exercisable on or after the date on which the Directors have so determined.

**(Q) RIGHTS ON A GENERAL OFFER**

If a general or partial offer, whether by way of take-over offer, share re-purchase offer, or scheme of arrangement or otherwise in like manner is made to all the holders of Shares, or all such holders other than the offeror and/or any person controlled by the offeror and/or any person acting in association or concert with the offeror, the Company shall use all reasonable endeavours to procure that such offer is extended to all the grantees on the same terms, mutatis mutandis, and assuming that they will become, by the exercise in full of the Options granted to them, Shareholders. If such offer becomes or is declared unconditional, a grantee shall be entitled to exercise his or her Option (to the

extent not already exercised) to its full extent or to the extent specified in the grantee's notice to the Company in exercise of his or her Option at any time before the close of such offer (or any revised offer). Subject to the above, an Option will lapse automatically (to the extent not exercised) on the date on which such offer (or, as the case may be, revised offer) closes.

**(R) RIGHTS ON WINDING UP**

In the event of an effective resolution being proposed for the voluntary winding-up of the Company during the option period, the grantee may, subject to the provisions of all applicable laws, by notice in writing to the Company at any time no later than two Business Days prior to the proposed general meeting of the Company for the passing of such resolution, exercise all or any of his or her Option (to the extent which has become exercisable and not already exercised) in accordance with the provisions of the New Share Option Scheme, whereupon the Company shall as soon as possible and, in any event, no later than the Business Day immediately prior to the date of the proposed general meeting referred to above, issue and allot the relevant Shares to the grantee credited as fully paid, which Shares shall rank *pari passu* with all other Shares in issue on the date prior to the passing of the resolution to windup the Company to participate in the distribution of the assets of the Company available in liquidation. Subject to the above, an Option will lapse automatically (to the extent not exercised) on the date of the commencement of the winding-up of the Company.

**(S) RIGHTS ON COMPROMISE OR ARRANGEMENT BETWEEN THE COMPANY AND ITS CREDITORS**

In the event of a compromise or arrangement between the Company and its creditors (or any class of them) or between the Company and its members (or any class of them), in connection with a scheme for the reconstruction or amalgamation of the Company, the Company shall give notice thereof to all grantees on the same day as it gives notice of the meeting to its members or creditors to consider such a scheme or arrangement, and thereupon any grantee (or his or her legal representative(s)) may forthwith and until the expiry of the period commencing with such date and ending with the earlier of the date falling two calendar months thereafter or the date on which such compromise or arrangement is sanctioned by Court be entitled to exercise his or her Option (to the extent which has become exercisable and not already exercised), but the exercise of the Option shall be conditional upon such compromise or arrangement being sanctioned by the Court and becoming effective. The Company may thereafter require such grantee to transfer or otherwise deal with the Shares issued as a result of such exercise of his or her Option so as to place the grantee in the same position as nearly as would have been the case had such Shares been subject to such compromise or arrangement. Subject to the above, an Option will lapse automatically (to the extent not exercised) on the date the proposed compromise or arrangement becomes effective.

**(T) ADJUSTMENTS TO THE SUBSCRIPTION PRICE**

In the event of any alteration in the capital structure of the Company (including capitalisation of profits or reserves, rights issue, consolidation, subdivision or reduction of the share capital of the Company (other than an issue of Shares as consideration in respect of a transaction to which the Company is a party)) whilst an Option remains exercisable but the New Share Option Scheme remains in effect, such corresponding alterations (if any) certified by the auditors for the time being or an independent financial adviser to the Company as fair and reasonable will be made in (i) the number of Shares subject to the Options so far as unexercised; and/or (ii) the subscription price for Shares; and/or (iii) the maximum number of Shares available for subscription referred to in paragraph (d) above.

Any adjustments made in respect of any alteration aforesaid shall give a grantee the same proportion of the issued share capital to which he was entitled prior to such alteration and the aggregate subscription price payable by a grantee on the full exercise of any Option shall remain as nearly as possible the same (but shall not be greater than) as it was before such event. No alteration shall be made the effect of which would be to enable a Share to be issued at less than its nominal value and no such adjustment will be required in circumstances whether there is an issue of Shares or other securities of the Group as consideration in a transaction. In addition, in respect of any such adjustments, other than any made on a capitalisation issue, such auditors or independent financial adviser must confirm to the Directors in writing that the adjustments satisfy the requirements of the relevant provision of the Listing Rules.

**(U) CANCELLATION OF OPTIONS**

Any cancellation of Options granted but not exercised must be approved by the Board. Where the Company cancels Options and issues new ones to the same grantees, the grant of such new Options may only be made under the New Share Option Scheme with available unissued Options (excluding the cancelled Options) within the General Scheme Limit.

**(V) TERMINATION OF THE NEW SHARE OPTION SCHEME**

The Company may, by resolution in general meeting, at any time terminate the New Share Option Scheme and in such event no further Option shall be offered but the provisions of the New Share Option Scheme shall remain in full force to the extent necessary to give effect to the exercise of the Options (to the extent not already exercised) granted prior to the termination or otherwise as may be required in accordance with the provisions of the New Share Option Scheme. Options (to the extent not already exercised) granted prior to such termination shall continue to be valid and exercisable in accordance with the New Share Option Scheme.

**(W) RIGHTS ARE PERSONAL TO THE GRANTEE**

An Option is personal to the grantee and shall not be transferable or assignable and no grantee shall in any way sell, transfer, charge, mortgage, encumber or otherwise dispose of or create any interest whatsoever in favour of any third party over or in relation to any Option. Any breach of the foregoing by a grantee shall entitle the Company to cancel any outstanding Option or part thereof granted to such grantee to the extent not already exercised.

**(X) LAPSE OF OPTION**

An Option shall lapse automatically (to the extent not already exercised) on the earliest of:

- (aa) the expiry of the option period referred to in paragraph (g);
- (bb) the expiry of the periods or dates referred to in paragraphs (m), (n), (o), (p), (q), (r) and (s); and
- (cc) the date on which a breach of the provision restricting the transfer and assignment of an Option referred to in paragraph (w) is committed.

**(Y) SHARE CAPITAL**

The exercise of any Option shall be subject to the Shareholders in general meeting approving any necessary increase in the authorised share capital of the Company. Subject thereto, the Board shall make available sufficient authorised but unissued share capital of the Company to meet subsisting requirements on the exercise of Options.

**(Z) ALTERATION**

The New Share Option Scheme may be altered in any respect by resolution of the Board except that:

- (aa) any changes to the definitions of “Eligible Participant” and “grantee” and “option period”;
- (bb) any changes to the provisions as mentioned in paragraphs (a) to (y) and the provisions relating to the matters set out in rule 17.03 of the Listing Rules to the advantage of grantees of the Options;
- (cc) any alterations to the terms and conditions of the New Share Option Scheme which are of a material nature;

- (dd) any change to the terms of Options granted; and
- (ee) any change to the authority of the Board in relation to any alteration to the terms of the New Share Option Scheme,

must be approved by a resolution of the Shareholders in general meeting, except where such alterations take effect automatically under the existing terms of the New Share Option Scheme, provided that:

- (i) the amended terms of the New Share Option Scheme or the Options shall still comply with the requirements of Chapter 17 of the Listing Rules; and
- (ii) no such alteration shall operate to affect adversely the terms of issue of any Option granted or agreed to be granted prior to such alteration except with the consent or sanction in writing of such number of grantees as shall together hold Options in respect of not less than three-fourths in nominal value of all Shares then subject to Options granted under the New Share Option Scheme.



**G-Resources Group Limited**

**國際資源集團有限公司\***

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 1051)**

**NOTICE IS HEREBY GIVEN** that the annual general meeting of G-Resources Group Limited (the “Company”) will be held at Dynasty I, 7/F, The Dynasty Club, South West Tower, Convention Plaza, 1 Harbour Road, Wanchai, Hong Kong on Wednesday, 18 June 2014 at 10:00 a.m. (the “AGM”) or any adjournment thereof for the purpose of considering and, if thought fit, passing with or without modification the following resolutions as ordinary resolutions of the Company:

**As Ordinary Businesses**

1. To receive and consider the audited consolidated financial statements and reports of the directors and auditors of the Company for the six months ended 31 December 2013.
2. To re-elect, each as a separate resolution, the following persons as directors of the Company, and to authorise the board of directors of the Company to fix the remuneration of the directors of the Company:
  - (i) Mr. Owen L Hegarty
  - (ii) Mr. Peter Geoffrey Albert
  - (iii) Mr. Hui Richard Rui
3. To re-appoint Messrs. Deloitte Touche Tohmatsu as auditors of the Company and to authorise the board of directors of the Company to fix their remuneration.

**As Special Businesses**

4. To consider and, if thought fit, pass with or without amendments, the following resolution as ordinary resolution of the Company:

“**THAT:**

- (a) subject to paragraph (c) below, the exercise by the directors of the Company (“Directors”) during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares of the Company (“Shares”) or securities convertible into Shares, or options, warrants or similar rights to subscribe for any

\* For identification purpose only

## NOTICE OF ANNUAL GENERAL MEETING

Shares, and to make or grant offers, agreements and options which might require the exercise of such power be and is hereby generally and unconditionally approved;

- (b) the approval in paragraph (a) above shall be in addition to any other authorisations given to the Directors and shall authorise the Directors during the Relevant Period (as hereinafter defined) to make or grant offers, agreements and options which might require the exercise of such powers after the end of the Relevant Period (as hereinafter defined);
- (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in paragraph (a) above, otherwise than pursuant to:
  - (i) a Rights Issue (as hereinafter defined);
  - (ii) the exercise of rights of subscription or conversion under terms of any warrants issued by the Company or any securities which are convertible into Shares;
  - (iii) the exercise of any option scheme or similar arrangement for the time being adopted for the grant or issue to officers and/or employees of the Company and/or any of its subsidiaries of Shares or rights to acquire Shares; and
  - (iv) any scrip dividend or similar arrangement providing for the allotment of Shares in lieu of the whole or part of a dividend on the Shares in accordance with the bye-laws of the Company,

shall not exceed 20% of the share capital of the Company in issue as at the date of passing of this resolution, and the said approval shall be limited accordingly; and

- (d) for the purpose of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earlier of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by laws or the bye-laws of the Company to be held; or
- (iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting.



## NOTICE OF ANNUAL GENERAL MEETING

“Rights Issue” means the allotment, issue or grant of Shares pursuant to an offer of Shares open for a period fixed by the Directors to holders of the Shares or any class thereof on the register on a fixed record date in proportion to their then holdings of such Shares or class thereof (subject to such exclusion or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of, any recognised regulatory body or stock exchange in any territory outside Hong Kong).”

5. To consider and, if thought fit, pass with or without amendments, the following resolution as ordinary resolution of the Company:

“THAT:

- (a) subject to paragraph (b) below, the exercise by the directors of the Company (“Directors”) during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase issued shares of the Company (“Shares”) on The Stock Exchange of Hong Kong Limited (“Stock Exchange”) or on any other stock exchange on which the Shares may be listed and recognised for this purpose by The Securities and Futures Commission of Hong Kong and the Stock Exchange under The Hong Kong Code on Share Repurchases (“Recognised Stock Exchange”) and, subject to and in accordance with all applicable laws and the Rules Governing the Listing of Securities on the Stock Exchange as amended from time to time or that of any other Recognised Stock Exchange, be and is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of the Shares which may be repurchased pursuant to the approval in paragraph (a) above shall not exceed 10% of the aggregate of the nominal amount of the share capital of the Company in issue at the date of passing of this resolution and the said approval shall be limited accordingly; and
- (c) for the purpose of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earlier of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by laws or the bye-laws of the Company to be held; or
- (iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting.”

## NOTICE OF ANNUAL GENERAL MEETING

6. To consider and, if thought fit, pass with or without amendments, the following resolution as ordinary resolution of the Company:

“**THAT** conditional upon the passing of the Resolutions Nos. 4 and 5 as set out in the notice convening this meeting, the general mandate granted to the directors of the Company (“Directors”) to exercise the powers of the Company to allot, issue and otherwise deal with the shares of the Company pursuant to Resolution No. 4 as set out in the notice convening this meeting be and is hereby extended by the addition to the aggregate nominal amount of the share capital of the Company which may be allotted by the Directors pursuant to such general mandate an amount representing the aggregate nominal amount of the share capital of the Company repurchased by the Company under the authority granted pursuant to Resolution No. 5 as set out in the notice convening this meeting, provided that such amount shall not exceed 10% of the aggregate of the nominal amount of the share capital of the Company in issue at the date of passing of this resolution.”

7. To consider and, if thought fit, to pass, with or without modification, the following resolution which will be proposed as ordinary resolution:

“**THAT** subject to and conditional upon the Listing Committee of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) granting approval of the listing of, and permission to deal in the Shares to be issued pursuant to the exercise of any options which may be granted under the share option scheme of the Company (the “New Share Option Scheme”) (copy of which is produced to this meeting marked “A” and signed by the Chairman of the meeting for the purpose of identification), the rules of the New Share Option Scheme be and is hereby approved and adopted and the board of directors of the Company be and are hereby authorised to do all such acts and to enter into all such transactions, arrangements and arrangements as may be necessary or expedient in order to give effect to the New Share Option Scheme including but without limitation:

- i. to administer the New Share Option Scheme under which options will be granted to participants eligible under the New Share Option Scheme to subscribe for shares of the Company (the “Shares”);
- ii. to modify and/or amend the New Share Option Scheme from time to time provided that such modification and/or amendment is effected in accordance with the provisions of the New Share Option Scheme relating to modification and/or amendment;
- iii. to issue and allot from time to time such number of Shares as may be required to be issued pursuant to the exercise of the options under the New Share Option Scheme;

## NOTICE OF ANNUAL GENERAL MEETING

- iv. to make application at the appropriate time or times to the Stock Exchange, and any other stock exchange upon which the issued Shares may for the time being be listed, for listing of and permission to deal in any Shares which may from time to time be issued and allotted pursuant to the exercise of the options under the New Share Option Scheme; and
- v. to consent, if it so deems fit and expedient, to such conditions, modifications and/or variations as may be required or imposed by the relevant authorities in relation to the New Share Option Scheme."

By Order of the Board  
**G-Resources Group Limited**  
**Peter Geoffrey Albert**  
*Chief Executive Officer*

Hong Kong, 29 April 2014

*Principal Place of Business in Hong Kong:*

Rooms 4501-02 & 4510, 45th Floor  
China Resources Building  
No. 26 Harbour Road  
Wanchai  
Hong Kong

*Registered Office:*

Canon's Court  
22 Victoria Street  
Hamilton HM 12  
Bermuda

*Notes:*

1. A shareholder of the Company ("Shareholder") entitled to attend and vote at the AGM may appoint another person as his proxy to attend and to vote in his stead. A Shareholder who is the holder of two or more shares of the Company ("Shares") may appoint more than one proxy to attend on the same occasion. A proxy need not be a Shareholder.
2. Where there are joint registered holders of any Share, any one such person may vote at the AGM, either personally or by proxy, in respect of such Share as if he were solely entitled thereto; but if more than one of such joint holders are present at the AGM personally or by proxy, that one of the said persons so present whose name stands first on the register of shareholders of the Company in respect of such Share shall alone be entitled to vote in respect thereof.
3. In order to be valid, the form of proxy when duly completed and signed in accordance with the instructions printed thereon together with the power of attorney or other authority, if any, under which it is signed or a notorially certified copy thereof must be delivered to the Company's branch share registrar in Hong Kong, Union Registrars Limited at 18/F., Fook Lee Commercial Centre, Town Place, 33 Lockhart Road, Wanchai, Hong Kong, not less than 48 hours before the time appointed for holding the AGM or any adjournment thereof.

## NOTICE OF ANNUAL GENERAL MEETING

4. Unless otherwise announced by the Company, the AGM will be held as scheduled even when Typhoon Signal No. 8 or above is hoisted or a Black Rainstorm Warning Signal is in force on the date of the AGM.

Shareholders should decide on their own whether they would attend the AGM under bad weather conditions bearing in mind their own situations and if they do so, they are advised to exercise care and caution.

*As at the date of this notice, the Board comprises:*

- (i) *Mr. Chiu Tao, Mr. Owen L Hegarty, Mr. Peter Geoffrey Albert, Mr. Ma Xiao, Mr. Wah Wang Kei, Jackie and Mr. Hui Richard Rui as executive directors of the Company; and*
- (ii) *Mr. Or Ching Fai, Ms. Ma Yin Fan and Mr. Leung Hoi Ying as independent non-executive directors of the Company.*